

Office of the Minister of Corrections

Cabinet Government Administration and Expenditure Review Committee

## **Investing in Christchurch Men's Prison for network resilience**

### **Proposal**

- 1 This paper seeks Cabinet's agreement to Corrections prioritised self-funding of \$32.61 million for the Christchurch Men's Prison (CMP) Redevelopment Programme, from existing baseline funding over the next two fiscal years. This will fund the initial stages of design for replacement facilities necessary to address infrastructure end-of-life challenges at the prison.

### **Relation to Government priorities**

- 2 In the 2020 election manifesto, the Government committed to keeping communities safe, breaking the cycle of reoffending, and reducing the overrepresentation of Māori in the criminal justice system. The commitment to keeping communities safe was reconfirmed by the Prime Minister in his January 2023 Cabinet announcement.
- 3 The election manifesto also laid out a COVID-19 recovery plan focused on creating jobs and supporting businesses by rebuilding critical infrastructure and future proofing our economy through sustainability initiatives. This proposal supports these priorities and Corrections' Hōkai Rangi strategy, which also aims to improve outcomes for Māori in Corrections' management. Since we launched Corrections' Hōkai Rangi strategy in 2019, we have seen a reduction in the number of Māori in prison – from 5,346 during the peak prison population in March 2018 to 4,480 at the end of February 2023.

### **Executive Summary**

- 4 CMP is the largest prison in the South Island. It is typically the primary location for the South Island's high security and remand prisoners due to its proximity to the major population centre and its courts, and as such performs a critical role in the prison network and broader justice sector [Rec 1]. It also provides overflow capacity when North Island prisons reach capacity.
- 5 Current site infrastructure in some cases dates back to 1915 and much of it is now at or reaching end of life. Poor quality facilities present an increasing risk to the safety and wellbeing of staff and the people in prison, and compromise Corrections' ability to deliver new ways of working aligned with Hōkai Rangi objectives to reduce the disproportionate number of Māori in the corrections system and improve overall reoffending rates.
- 6 The current state presents ongoing challenges to addressing concerns raised by the Chief Ombudsman following inspections of CMP between 2017 and 2021, and to remaining consistent with legislative, regulatory, and human rights requirements, alongside our international commitments.

- 7 While some of these risks have been mitigated by closing the high security units at CMP, this is a short term solution that creates increased cost and challenges (for example, additional prisoner transports). The replacement of the high security infrastructure is essential to restore this capacity in Christchurch and ensure there is sufficient high security resilience across the network.
- 8 Corrections developed the CMP Redevelopment Programme Indicative Business Case in 2022 which outlined an investment response that addresses these issues through the replacement of key facilities that are no longer fit for purpose.<sup>1</sup> This includes:
- 8.1 A new secure accommodation precinct replacing the high security, health, and 50 percent of the existing remand units;
  - 8.2 Necessary ancillary buildings; and
  - 8.3 Enabling site-wide infrastructure.
- 9 9(2)(f)(iv), 9(2)(b)(ii)  
[REDACTED] This paper seeks your agreement to Corrections self-funding \$32.61 million from baseline for the next phase until June 2025. This will support the delivery of concept design for the replacement works to inform a detailed business case (DBC) 9(2)(f)(iv)  
[REDACTED]  
[REDACTED]
- 10 Cabinet consideration of the DBC will represent a stage gate for the programme. This paper seeks approval for funding for design and progressing the programme until June 2025, including funding for preliminary design to ensure the project stays on the critical path. 9(2)(f)(iv)  
[REDACTED]  
[REDACTED]  
[REDACTED]
- 11 The redevelopment of CMP is part of a broader plan to build a more purposeful and resilient network through the Corrections Long Term Network Configuration Plan. This is aimed at better supporting strategic objectives and providing greater flexibility to manage changes in the prison population.
- 12 This includes a strategy to ensure there is suitable high security capacity to manage an increasingly complex prison population and growing number of people on remand.
- 13 This proposal takes a holistic approach to future proofing CMP and supporting the delivery of our priorities outlined in paragraph 5 above. It provides

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<sup>1</sup> The Indicative Business Case also identified a small amount of critical compliance works as necessary to ensure infrastructure across the site meets seismic, fire safety, and electrical performance standards. These were included for transparency of works required but have been excluded from this paper as they constitute business as usual activity and will be funded from existing baseline. These works will be progressed internally through Corrections' own approval processes.

significant opportunity to transform outcomes, including through partnership with iwi, and assisting with achieving sustainability targets.

- 14 Cabinet agreement to the recommendations in this paper is necessary to:
  - 14.1 Progress design and prevent delays to replacing critical infrastructure. This is required now to enable timely delivery for bringing the replacement facilities into service and reducing network risk;
  - 14.2 Enable a DBC to be developed by late 2024 9(2)(f)(iv) [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
- 15 As the total cost of this proposal exceeds my delegated financial authority, this paper seeks:
  - 15.1 Cabinet agreement to Corrections progressing design of the replacement facilities [Rec 10].
  - 15.2 Cabinet agreement to Corrections using baseline funding of \$32.61 million for the next phase of the redevelopment programme through to June 2025 [Rec 12].

**Background**

- 16 Between 2015 and 2018, the prison population increased by almost 2,000 prisoners to reach a peak of 10,820. This created significant pressure on the prison system and resulted in reactive emergency capacity fixes such as double bunking and recommissioning retired facilities (where it was determined safe to do so). These are temporary solutions rather than long term fixes for the high security capacity challenges present across the Corrections estate.
- 17 The rapid growth and higher prisoner numbers increased tension among prisoners, while the lack of fit for purpose beds impaired initiatives designed to reduce reoffending.
- 18 To respond to these challenges and in line with strategic goals, Corrections has:
  - 18.1 Delivered 976 new low security beds across the prison estate through the Modular Build Programme.
  - 18.2 Introduced measures through the High Impact Innovation Programme that have contributed to safely reducing the prison population.
- 19 These measures have reduced the immediate pressure on the prison network and enabled Corrections to take a more proactive approach to managing the estate, including the development of a Long Term Network Configuration Plan.

- 20 As part of this work, there is a focus on retiring facilities that are no longer fit for purpose and investing in creating environments that are safe and healthy for people to live and work in, and which enable greater rehabilitative outcomes.
- 21 Corrections has identified CMP as a priority for investment due to the risks presented by its aging infrastructure and the importance of the site to the prison network. As one of the oldest prisons in New Zealand, it has become increasingly compromised by poor quality infrastructure, including prison buildings and underground infrastructure, which do not meet compliance requirements or service needs.
- 22 The condition and outdated design of facilities has compromised the ability to address some of the concerns raised by the Office of the Inspectorate and the Office of the Ombudsman relating to the condition of cells, provision of natural light, double bunking, and the ability to support modern working practices.
- 23 In 2021, Corrections made the decision to permanently close the three high security units as their age and condition presented an unacceptable safety risk. They were progressively closed in 2022 and have been decommissioned, with the men moved to high security accommodation at Otago Corrections Facility in the interim.<sup>2</sup>
- 24 Following this decision, Corrections commissioned an assessment of all facilities at CMP. This determined that across the site there was a critical mass of infrastructure nearing end of life in terms of building condition, operational performance, and wellbeing criteria. In particular:
- 24.1 the high security, health, and remand facilities are no longer fit for purpose and are priorities for replacement;
- 24.2 many of the facilities do not enable an environment that supports staff wellbeing and the wellbeing and rehabilitation of people in prison.

### **Current facilities present both operational and strategic risks**

- 25 The poor state of CMP facilities has presented a range of operational and strategic risks, including risk of:
- 25.1 Failing to meet statutory and human rights obligations to provide safe, secure, and humane accommodation;<sup>3</sup>
- 25.2 Increased assaults on staff and prisoners, self harm and suicide incidents, and damage to facilities;

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<sup>2</sup> Given that these units have been decommissioned, a related stream of work is exploring demolishing these units. The demolition is not a dependency for the replacement works and is not material to the investment proposals in this Cabinet paper.

<sup>3</sup> <https://www.ombudsman.parliament.nz/sites/default/files/2021-11/Report%20on%20an%20unannounced%20follow%20up%20inspection%20of%20Christchurch%20Men%E2%80%99s%20Prison%20under%20the%20Crimes%20of%20Torture%20Act%201989.pdf>

- 25.3 Failing to uphold Te Tiriti o Waitangi obligations;
  - 25.4 Not achieving strategic objectives to improve health, education, and rehabilitation outcomes;
  - 25.5 Increasingly high maintenance costs to extend the life of buildings that are past their use by date;
  - 25.6 Not achieving emission-reduction and sustainability targets.
- 26 These specific risks are significant and potentially present additional and unforeseen legal and reputational risks, should they result in a serious incident or a failure to meet the expectations of external monitoring agencies.
- 27 The closure of the three high security units, being the poorest quality facilities, has mitigated some of the risk related to statutory and human rights obligations. This is a short-term solution however, as:
- 27.1 Removing high security capacity from the South Island's major population centre leaves a reliance on the limited capacity at Otago Corrections Facility and Invercargill Prison, which could lead to increased double-bunking to manage the increasing number of high security and remand prisoners.
  - 27.2 Moving prisoners to high security accommodation out of the region is not ideal, and our strategy supports keeping people close to whānau to support rehabilitation, reintegration, and wellbeing outcomes where possible. It imposes additional costs on whānau and Corrections, with prisoner escorts impacting Corrections and Police resources.
- 28 I believe these risks to be unacceptable for a government that is committed to improving outcomes for people in prison, reducing reoffending, and reducing impact on the environment.
- 29 I have supported Corrections developing an IBC to explore options for addressing the issues with end of life infrastructure outlined above and recommending an appropriate response that aligns with Corrections' priorities.

**There is a critical need to replace facilities that are no longer fit for purpose**

- 30 Corrections is committed to providing a prison network that enables the achievement of Hōkai Rangi aspirations and delivers on wider justice reform while also complying with statutory, regulatory, and human rights requirements.

*High security demand is growing as the prison population becomes more complex*

- 31 While there are fewer people in prison now, the population is becoming increasingly difficult to manage due to more complex needs, including mental health and addiction issues, and increasing violence and gang-related issues. There is a need for greater high security capacity to safely manage violent offenders and the growing remand population. Facilities must support

legislative, human rights, and modern working standards and the delivery of rehabilitation and reintegration programmes to enable Hōkai Rangi outcomes.

- 32 The remand population has doubled since 2013, and now constitutes about 45 percent of the overall population. It is projected to continue to rise over the medium to long term.<sup>4</sup> An increased remand population creates additional accommodation pressures due to the need to separate remand and sentenced prisoners. Additionally, remand facilities have greater site tensions due to the transient nature of the population which destabilises routines and unsettles prisoners. Addressing the drivers of these trends is the focus of significant work across the justice sector.
- 33 To support the need for greater high security capacity, Corrections is developing a high security resilience plan as part of the first phase of its Long Term Network Configuration Plan.

### **Corrections is taking a strategic approach to managing the prison network**

- 34 The Te Waihanga New Zealand Infrastructure Strategy, Rautaki Hanganga o Aotearoa 2023-2053, calls for a smarter approach to managing infrastructure and the significant challenges requiring immediate and sustained attention.
- 35 I believe Corrections is embodying this aspiration through a maturing asset management approach that is strategic and integrated. CMP has been considered against other needs in the network, and has been prioritised due to its poor quality facilities, strategic network importance, and the need for high security capacity.
- 36 While there are widespread issues with end of life infrastructure across CMP, the high security, remand, and health facilities, including the intervention and support unit (ISU), have been identified as priorities for replacement due to their condition and the important role they play in the prison, region, and wider network. These facilities are critical to maintaining sufficient high security and remand capacity and supporting the health needs of an increasingly aging and complex prison population.
- 37 Replacing these with new facilities that are consistent with the infrastructure requirements under the Corrections Act 2004 and Corrections Regulations 2005, and more consistent with the United Nations Standard Minimum Rules for the Treatment of Prisoners (the Nelson Mandela rules), will better enable Corrections to meet the expectations of the Chief Ombudsman and external monitoring agencies.
- 38 For example, constructing a new, modern ISU as part of replacing the health facilities will address the Ombudsman's concerns that some of the existing ISU cells do not meet Corrections' or international standards for natural light.

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<sup>4</sup> <https://www.justice.govt.nz/assets/Documents/Publications/y9h8p-2022-Justice-Sector-Projections-Report.pdf>

*Investing in new facilities provides opportunities for sustainability transformation*

- 39 Investment at CMP would play a major role in Corrections achieving its commitment to reduce gross emissions by 42 percent in line with the Carbon Neutral Government Programme. The site is currently one of the biggest emitters in the network in terms of carbon dioxide equivalents. The use of diesel as a fuel source for hot water and space heating is a key driver of this.
- 40 With investment, low emission alternatives would be implemented for heating and cooling. It would also provide the opportunity to implement more sustainable and efficient design, construction, operation, and maintenance practices, with potential long-term cost savings. Opportunities for sustainable transformation include:
- 40.1 Reducing the amount of carbon emitted during building lifecycle and construction;
  - 40.2 Designing buildings to optimise space and utilise natural ambient energy sources;
  - 40.3 Opting for sustainable processes and appliances, such as low emission alternatives;
  - 40.4 Deriving energy from sustainable resources, such as solar.

**The recommended approach addresses acute needs and supports Government priorities**

- 41 The IBC attached to this paper considered options around the overall strategic direction for the site and the appropriate step to take now towards that strategic direction. Further detail on the options analysis can be found at Appendix One.
- 42 The strategic options considered ranged from “Option 1. Do Minimum” which kept the status quo on site to “Option 4. Establishing New Platform” which focused on developing new facilities adjacent to the existing prison. The analysis determined that replacing end of life buildings with new facilities on available land next to the prison would be significantly cheaper, faster and less disruptive than building on the existing site.<sup>5</sup> Strategic Option 3 (Utilise Existing Site) and Strategic Option 4 were determined to have merit, and a blend of these options was progressed to inform detailed options about the actual extent of replacement considered (‘sequencing options’).
- 43 The sequencing options considered were:<sup>6</sup>
- 43.1 Option 1: No replacement – No replacement of buildings.

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<sup>5</sup> Alternative options involving constructing inside the wire would add approximately 18 percent to the cost and about a year in time due to the complexities of working inside an operating prison.

<sup>6</sup> All options included delivering critical works to enable continued service delivery on the CMP site.

- 43.2 Option 2: High Security – A new High Security unit and extended perimeter fence.
  - 43.3 Option 3: High Security and Health – New High Security and Health units with an extended perimeter fence.
  - 43.4 Option 4: Secure Accommodation Precinct and Health – Health unit replacement, as well as a High Security precinct that replaces existing High Security and replaces approximately 50 percent Remand capacity.
  - 43.5 Option 5: Large Secure Accommodation Precinct and Health – Health Unit replacement, as well as a High Security precinct that replaces all High Security and Remand facilities on site.
- 44 Analysis determined Option 4 as the Recommended Option as it provides a balance between enabling future flexibility, reducing risk, and supporting transformation. 9(2)(f)(iv), 9(2)(b)(ii) .
- 45 I believe Corrections has been prudent in balancing the benefits of replacing all end of life buildings immediately against what would be appropriate to commit to in the current fiscal environment. The recommended approach enables the priority facilities to be constructed next to the prison, to work cohesively with the existing site, and supports future extensions into the available land to replace other end of life facilities over the longer term.
- 46 I believe this approach provides a fiscally responsible pathway to delivering a solution that secures the ongoing viability of the site and delivers modern fit for purpose facilities that are more aligned with Corrections' priorities.
- 47 This approach would help to address concerns raised by the Ombudsman relating to the condition of cells, provision of natural light in ISU cells, double bunking, and the ability to support modern working practices. Design of the new facilities would also support the reduction of infrastructure impediments to providing opportunities for high security and remand prisoners to engage in purposeful activities.
- 48 It also provides opportunity for transformational change in terms of how Corrections designs facilities and delivers services to align with its Hōkai Rangi strategy, while leaving scope for future development and transformation.
- 49 Corrections will continue to work with its Justice sector partners to ensure that new facilities are aligned with efforts to reform the sector.

**Endorsing the investment approach will enable work to progress without delay**

- 50 The facilities considered for replacement are fundamental to the CMP site, region, and broader Corrections estate. As it takes approximately five years to deliver new facilities on Corrections-owned land, starting design work now will



enable Corrections to deliver on the critical path for construction of the replacement facilities and avoid further network risk.

- 51 Corrections will reprioritise baseline funding to enable progress to be made on the next phase of the programme. Authorising this approach will enable Corrections to promptly procure a design team that will develop the concept and preliminary designs for the new precinct. The decision to fund these stages of design at this time balances reducing timeline disruption (by enabling design to continue as the DBC is developed and considered) and minimising the upfront funding commitment prior to the DBC being considered.

### **Corrections has experience delivering construction projects of this scale**

- 52 Investing in new facilities is not without legal, operational, or reputational risk, but I believe these to be acceptable and able to be mitigated through careful management. Potential risks include the capability of the construction industry to deliver new facilities to programme and budget in an environment that is under pressure from inflation, increased weather events, and supply chain issues.
- 53 I believe that Corrections has the experience delivering significant construction projects, the capability within its internal project delivery teams, and the successful relationships across the construction industry to manage these risks.<sup>7</sup>
- 54 A Gateway Review was undertaken in December 2022, with the review team giving this proposal an amber delivery confidence assessment rating. The report described the proposal as an important and compelling investment, with the amber rating reflecting its size and complexity. It noted that the existing programme team was well led and possessed the necessary expertise and competence.

### **Next steps**

- 55 With your agreement, Corrections will brief the market regarding the procurement of design services. The intention is to release a tender to the market in Quarter three (calendar year) of 2023 and engage a design team in the fourth quarter (calendar year) of 2023.
- 56 The development of a new accommodation precinct provides a rare opportunity for Corrections to transform how it designs facilities and delivers services. Stakeholders will be engaged throughout the design process to explore and shape design concepts and service models aligned to strategic objectives. The design of new facilities will draw on the learnings from successful investments in New Zealand and overseas.

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<sup>7</sup> This includes delivery of the Auckland South Corrections Facility, Auckland Prison, Mt Eden Corrections Facility Building C project and the Modular Build Programme.

- 57 Corrections will continue to explore opportunities for partnership with Māori through its relationships with mana whenua, following initial discussions with Ngāi Tahu at iwi level and Te Taumutu Runanga at the hapū level.
- 58 This proposal is Corrections’ first substantial development since committing to decarbonisation targets in line with the Government Carbon Neutral Programme. It has committed to exploring opportunities for sustainability transformation with the intention of reporting back to myself and the Minister of Finance in quarter three (calendar year) of this year on how these could be achieved.

**Financial Implications**

- 59 Deferring the replacement of end of life facilities will result in increased cost to maintain the existing poor quality and inefficient facilities over the medium to long term and increases risks to the network, particularly in high security resilience.
- 60 Due to the constrained fiscal environment, Corrections is currently planning to enable prioritised self-funding of the next phase from its existing baseline. It has committed \$32.61 million, which will fund the development of concept and preliminary design, the development of a DBC, and programme team costs.<sup>8</sup> These are shown below:

Funding element (\$M)	2023/24	2024/25	Total
A. Concept design	9(2)(f)(iv), 9(2)(b)(ii)		
B. Preliminary design			
<i>Design sub-total (A + B)</i>			
C. Programme team			
D. Contingency (10%)			
<b>Total (A + B + C + D)</b>	<b>13.039</b>	<b>19.569</b>	<b>32.608</b>

- 61 Self-funding will require significant reprioritisation, resulting in other capital investments being delayed, indicating Corrections’ and my assessment of the importance of this initiative.

- 62 9(2)(f)(iv)  

  
 Given the criticality of this work, the decision has been made to fund the next phase from internal baseline (accumulated depreciation). Given the extent of asset replacement needed over the next five to 10 years, it is difficult to completely detail the flow-on impact of utilising accumulated depreciation but some of the traceable impacts include:

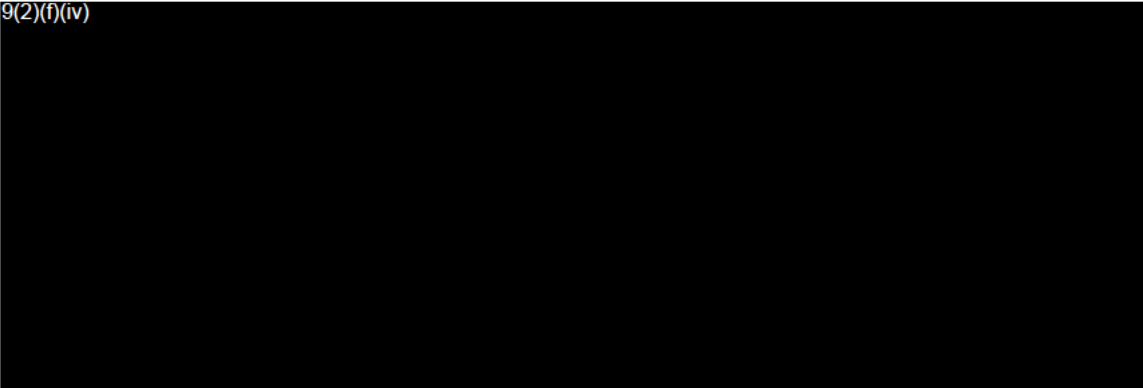
<sup>8</sup> Design costs as a percentage of the total project cost are typically in the range of 10 – 15%, with the estimated full design cost at the low end of this range.

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- 62.1 Modern Prisons being limited to 23/24 funding, and further phases only to be progressed if external funding is available
- 62.2 Environmental Sustainability Phase 1 (Boiler Replacement) not being progressed unless future external funding is available
- 62.3 Other medium to large sized projects being halted or not progressed, such as the Whanganui Prison wastewater project and the Invercargill Prison Coal Boiler Replacement project.

63 9(2)(f)(iv)

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65 The strategic network importance of the facilities being considered for replacement at CMP means the upfront investment on design is at low risk of being wasteful spend due to the acute need for high security infrastructure at CMP, and the ability to use design to inform broader high security resilience projects. The DBC will take into account the fiscal landscape and explore options for sequencing delivery, as well as review the shortlisted options of the IBC.

66 The costings outlined in the IBC assume funding for the following scope:

- 66.1 Replacement of the health unit (including ISU), and of 300 high security cells (split across high security and remand, roughly equivalent to the size of the high security unit to be replaced, and half the size of the existing remand unit);
- 66.2 Enabling civils and sitewide works; and
- 66.3 Ancillary buildings required for site cohesion (such as audio-visual and visits unit). This will be refined via the DBC, with final cell numbers driven by other factors.

67 Note also that the IBC estimates were based on costings at the time the IBC was developed in 2022 and may be subject to escalation due to changes in construction market conditions since that time.

68 The table below shows the breakdown of costings for the full programme:

CAPEX	Total (\$M)
1. Programme team costs	9(2)(f)(iv), 9(2)(b)(ii)

2. Critical works	A. Design	9(2)(f)(iv), 9(2)(b)(ii)
	B. Physical works	
3. Replacement works	A. Design	
	B. Physical works	
4. Contingency		
OPEX		
5. Decommissioning, demolition and remediation		
<b>Total</b>		

69 As the whole of life cost of this proposal exceeds my financial delegations, this paper seeks Cabinet’s approval of Corrections self-funding \$32.61 million for the next phase of investment [Rec 12].

**Legislative Implications**

70 There are no legislative impact implications associated with the proposal outlined in this paper.

**Impact Analysis**

71 There are no regulatory impacts associated with the proposal outlined in this paper.

**Climate Implications of Policy Assessment**

72 CMP is one of the biggest emitting Corrections sites in terms of carbon dioxide equivalents. Investment is critical to Corrections achieving its commitment to reduce gross emissions in line with the Government Carbon Neutral Programme.

**Population Implications**

73 This proposal supports Corrections’ Hōkai Rangi strategy to reduce reoffending and the overrepresentation of Māori in prison by creating more humanising and healing environments and improving rehabilitative outcomes for people in prison. It provides opportunities for partnership with Māori which will continue to be explored.

**Human Rights Implications**

74 This proposal will enable Corrections to address some of the criticisms of the Chief Ombudsman relating to prison conditions and the treatment of prisoners, and help to enable consistency with human rights obligations such as the United Nations Standard Minimum Rules for the Treatment of Prisoners (the Nelson Mandela rules).

## Consultation

75 The Treasury, Ministry of Justice, Public Service Commission, and New Zealand Police have been consulted on this paper. The Department of Prime Minister and Cabinet have been informed.

## Communications

76 Pending Cabinet approval, a tender for design services will be advertised on the Government Electronic Tender Service (GETS) in Quarter Three of 2023.

## Proactive Release

77 I propose to proactively release this paper in conjunction with the release of a tender for design services on GETS, subject to redactions as appropriate under the Official Information Act 1982.

## Recommendations

The Minister of Corrections recommends that the Committee:

- 1 **Note** that CMP performs a critical role in the prison network and wider justice sector due to its size and location in the South Island's major population centre;
- 2 **Note** that there are critical issues with end of life infrastructure at CMP which present unacceptable risks to the safety and wellbeing of staff and prisoners and challenges to Corrections' delivering on its legislative duties and strategic aspirations;
- 3 **Note** that an indicative business case outlining an investment response to address the end of life issues has been developed;
- 4 **Note** that the recommended option is to replace the high security, health and remand facilities, <sup>9(2)(f)(iv), 9(2)(b)(ii)</sup> [REDACTED] which will be re-examined through a detailed business case);
- 5 **Note** that as the whole of life cost of this investment exceeds the threshold for Ministerial approval, Cabinet approval is required for Corrections to progress to the next phase and invest existing baseline funding for the next two fiscal years;
- 6 **Note** this proposal covers concept design to inform the development of a detailed business case, and preliminary design to stay on the critical path for delivery, <sup>9(2)(f)(iv)</sup> [REDACTED];
- 7 **Note** that the ability to progress design and deliver a detailed business case is required now to enable delivery against the critical path for bringing the replacement facilities into service and reducing network risk;

- 8 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]
- 9 **Agree** that Corrections develop a detailed business case which will reassess the shortlisted options identified in the indicative business case and include consideration of construction sequencing, sustainability, and costing;
- 10 **Agree** that Corrections procure design services and progress concept design for the replacement facilities;
- 11 **Direct** Corrections to report back to Cabinet following the development of the detailed business case [REDACTED] and
- 12 **Approve** Corrections self-funding \$32.61 million for the next phase of the redevelopment programme through to June 2025.


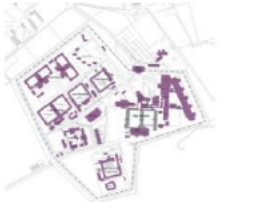




Authorised for lodgement

Hon Kelvin Davis

Minister of Corrections

**Appendix One: Summary of options analysis**

The analysis of the Christchurch Men’s Prison Indicative Business Case first looked at what the long term strategy for the site should be (Strategic Options), concluding that a mixture of Option 4 (Establish New Platform) and Option 3 (Utilise Existing Site) had merit. A combination of these strategies was taken forward to determine how much investment was appropriate to make now (Sequencing Options):

Options	Key Attributes		9(2)(f)(iv)
<p><b>1. No Replacement</b></p>	<p>Nothing significant done in the short term. All urgent works will be completed for the existing site along with compliance and seismic works. Results in significantly less upfront expenditure but increasing costs to maintain a site which is steadily decreasing in viability.</p>		9(2)(f)(iv)
<p><b>2. High Security</b></p>	<p>New High Security unit and extended perimeter fence with urgent compliance and seismic works completed for the existing site. Deferring replacement facilities incurs larger maintenance costs.</p>		
<p><b>3. High Security and Health</b></p>	<p>New High Security and Health units with an extended perimeter fence, with compliance and seismic works completed. Ancillary buildings needed and costed for site cohesion, include Tactical Operations, Audio Visual Link and visits.</p>		
<p><b>4. Secure Accomm. Precinct + Health</b></p>	<p>New High Security and Health buildings as well as approximately 50% Remand capacity replaced adjacent to the existing site (<b>Replacement Works</b>). All urgent and seismic works completed for buildings not replaced (<b>Critical Works</b>). Ancillary buildings needed and costed for site cohesion, include Tactical Operations, Audio Visual Link and visits. Assumption made that High Security and Remand can be scaled up and down across the precinct.</p>		
<p><b>5. Large Secure Accomm. Precinct + Health</b></p>	<p>New High Security, Health and full Remand facility replacement. All urgent compliance and seismic works completed for buildings not replaced. Ancillary buildings also needed and costed for site cohesion: Tactical Operations, Audio Visual Link and visits, Whānau spaces, Management Unit, Gatehouse, Receiving Office, Staff administration space.</p>		

The Economic Case identified Option 4 as the Preferred Option:

- Given CMP’s importance in the prison network, and its proximity to key populations and courts, an option that addresses both High Security and Remand cohorts delivers higher benefits.
- Developing a Secure Accommodation Precinct represents a significant uplift in the High Security capacity on site, which will enable the closing of the existing High Security / Remand block – approaching transformational change for the site. The result could be a newly viable

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site, with a new look and feel, and core infrastructure upgraded to provide a platform for subsequent works.

- A like-for-like replacement (Option 5) of existing remand capacity could result in regretful spend and 'lock in' of an operating approach that is still changing, not recognising the potential for options such as accommodating remandees in low security environments (e.g., the new modular units).